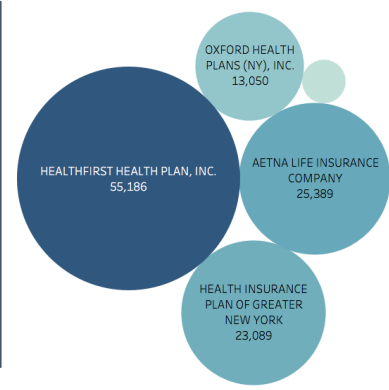


MEDICARE ADVANTAGE: IMPACT OF OSCAR ENTRY

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INTRODUCTION

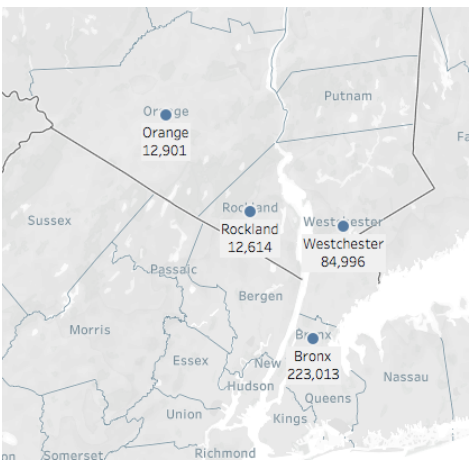
The Medicare Advantage program allows for eligible beneficiaries to opt out of public Medicare plans offered by the government, and instead choose from a multitude of private insurance plan offerings. My goal is to analyze the competition within Medicare Advantage in counties surrounding New York City. In 2020, a new health insurance company, Oscar, decided to enter the MA market in the NYC area. I use Oscar’s entry as the main focus of my analysis. To understand the competition, I examine key features of plan design and prices of several large MA plans. I also analyze the change in plan offerings and enrollment levels after Oscar entered the market. My hypothesis is that Oscar entry led to lower prices and higher benefits.



Enrollment

Organization Name	Contract N..	Date.x	
		2019	2021
AETNA HEALTH INC. (NY)	H3312	2,399	1,244
AETNA LIFE INSURANCE C..	H5521	20,806	25,389
ELDERPLAN, INC.	H3347	1,100	
EMPIRE HEALTHCHOICE H..	H8432	13,384	11,529
HEALTH INSURANCE PLAN OF GREATER NEW YORK	H3330	18,303	21,495
	H5991	2,760	1,594
HEALTHFIRST HEALTH PL..	H3359	45,443	55,186
METROPLUS HEALTH PLA..	H0423	1,859	1,913
MVP HEALTH PLAN, INC.	H9615		1,076
NEW YORK QUALITY HEAL..	H5599		5,282
OSCAR HEALTH PLAN OF ..	H7322		2,083
OXFORD HEALTH PLANS (. .	H3307	16,490	13,050
SIERRA HEALTH AND LIFE ..	H2001	7,923	5,066
THE NEW YORK STATE CA..	H3328	4,484	
UNITEDHEALTHCARE INS..	R5342	2,616	6,245
UNITEDHEALTHCARE OF NEW YORK, INC.	H3379	2,171	
	H3387	15,660	13,985
WELLCARE OF NEW YORK,...	H4868	7,928	5,061
Grand Total		163,326	170,198

- Figure displays trend in enrollment from 2019, the year before Oscar entered the market to 2021, most recent data
- Multiple organizations left the market after Oscar entered: Elderplan, New York State Catholic Health Plan, UnitedHealthCare of New York
- Others joined market in these counties: MVP, New York Quality Health Care Corp, Oscar
- Oscar able to attain 2,083 enrollees in these four counties across three plans that they have offered



Premium

Organization Name	Contract N..	Year of Date.x	
		2019	2021
AETNA HEALTH INC. (NY)	H3312	13.10	34.60
AETNA LIFE INSURANCE C..	H5521	0.00	10.78
ELDERPLAN, INC.	H3347	0.00	
EMPIRE HEALTHCHOICE H..	H8432	0.45	1.72
HEALTH INSURANCE PLAN OF GREATER NEW YORK	H3330	8.92	0.00
	H5991	0.00	0.40
HEALTHFIRST HEALTH PL..	H3359	0.00	0.00
METROPLUS HEALTH PLA..	H0423	0.00	0.00
MVP HEALTH PLAN, INC.	H9615		0.00
NEW YORK QUALITY HEAL..	H5599		0.00
OSCAR HEALTH PLAN OF ..	H7322		0.00
OXFORD HEALTH PLANS (. .	H3307	13.02	1.60
SIERRA HEALTH AND LIFE ..	H2001		
THE NEW YORK STATE CA..	H3328	0.00	
UNITEDHEALTHCARE INS..	R5342	0.00	0.00
UNITEDHEALTHCARE OF NEW YORK, INC.	H3379	1.00	
	H3387	0.00	0.00
WELLCARE OF NEW YORK,...	H4868	0.00	0.00

- Many plans offer a \$0 premium
- Some opted to lower or eliminate their premium
- Others, like Aetna and Empire HealthChoice opted to increase

Deductible

Organization Name	Contract N..	Year of Date.x	
		2019	2021
AETNA HEALTH INC. (NY)	H3312	195.0	250.0
AETNA LIFE INSURANCE C..	H5521	245.0	250.0
ELDERPLAN, INC.	H3347	415.0	
EMPIRE HEALTHCHOICE H..	H8432	353.8	334.0
HEALTH INSURANCE PLAN OF GREATER NEW YORK	H3330	306.0	370.0
	H5991	355.0	295.0
HEALTHFIRST HEALTH PL..	H3359	398.8	426.0
METROPLUS HEALTH PLA..	H0423	415.0	445.0
MVP HEALTH PLAN, INC.	H9615		325.0
NEW YORK QUALITY HEAL..	H5599		445.0
OSCAR HEALTH PLAN OF ..	H7322		445.0
OXFORD HEALTH PLANS (. .	H3307	375.0	395.0
SIERRA HEALTH AND LIFE ..	H2001		
THE NEW YORK STATE CA..	H3328	415.0	
UNITEDHEALTHCARE INS..	R5342	350.0	300.0
UNITEDHEALTHCARE OF NEW YORK, INC.	H3379	415.0	
	H3387	415.0	445.0
WELLCARE OF NEW YORK,...	H4868	415.0	445.0

- Majority of plans opted to increase deductibles from 2019-2021
- Oscar offers highest deductible at \$445

OOP Max

Organization Name	Contract N..	Year of Date.x	
		2019	2021
AETNA HEALTH INC. (NY)	H3312	6,700	7,550
AETNA LIFE INSURANCE C..	H5521	6,700	7,550
ELDERPLAN, INC.	H3347	6,700	
EMPIRE HEALTHCHOICE H..	H8432	6,300	7,050
HEALTH INSURANCE PLAN OF GREATER NEW YORK	H3330	6,700	6,167
	H5991	6,700	7,550
HEALTHFIRST HEALTH PL..	H3359	5,050	5,090
METROPLUS HEALTH PLA..	H0423	6,700	7,550
MVP HEALTH PLAN, INC.	H9615		7,550
NEW YORK QUALITY HEAL..	H5599		7,550
OSCAR HEALTH PLAN OF ..	H7322		6,700
OXFORD HEALTH PLANS (. .	H3307	6,700	6,700
SIERRA HEALTH AND LIFE ..	H2001	6,700	6,700
THE NEW YORK STATE CA..	H3328	6,700	
UNITEDHEALTHCARE INS..	R5342	6,700	6,700
UNITEDHEALTHCARE OF NEW YORK, INC.	H3379	6,700	
	H3387	6,700	7,550
WELLCARE OF NEW YORK,...	H4868	6,133	5,075

- Majority of plans made an increase in OOP Max from \$6,700 to \$7,500 between 2019-2021
- Oscar offers OOP Max at a relatively median level of \$6,700

DATA

Enrollment

Contract Number	Plan ID	SSA State County Code	FIPS State County Code	State	County	Enrollment	Date	Organization Type	Plan Type	Offers Part D	SNP Plan	EGHP	Organization Name
H0423	001	33020	36005	NY	Bronx	1913	01/2021	Local CCP	HMO/HMOPOS	Yes	Yes	No	METROPLUS HEALTH PLAN, INC.
H2001	817	33020	36005	NY	Bronx	1547	01/2021	Local CCP	Local PPO	No	No	Yes	SIERRA HEALTH AND LIFE INSURANCE COMPANY, INC.
H2001	817	33620	36087	NY	Rockland	1260	01/2021	Local CCP	Local PPO	No	No	Yes	SIERRA HEALTH AND LIFE INSURANCE COMPANY, INC.
H2001	817	33800	36119	NY	Westchester	2259	01/2021	Local CCP	Local PPO	No	No	Yes	SIERRA HEALTH AND LIFE INSURANCE COMPANY, INC.
H3307	002	33020	36005	NY	Bronx	1239	01/2021	Local CCP	HMO/HMOPOS	Yes	No	No	OXFORD HEALTH PLANS (NY), INC.

This data was collected from the Centers for Medicare and Medicaid Services (CMS). The above data was used to quantify the enrollment for Medicare Advantage plans. It is organized by contract numbers, plan identifiers, and the counties that the plans are offered in. The enrollment is based on enrollment in individual plans offered by each company. I have arranged the data to only include the four counties that Oscar has enrollment in: Bronx, Orange, Rockland, and Westchester.

Price and Benefit Design

Contract Number	Plan ID	segment_id	pbp_d_mplusc_premium	pbp_d_out_pocket_amt	mrx_alt_ded_amount
H9834	001	0	99.40	3000.00	NA
H5216	036	0	99.30	6700.00	225.00
H0562	039	0	99.00	5000.00	NA
H2765	003	0	99.00	6250.00	230.00
H2816	013	0	98.50	NA	NA

This data was also collected from CMS. This data is to display the different designs of the plans that are available in the enrollment data. I have chosen three key variables that insurers use to differentiate themselves. The three key variables are premium, out-of-pocket maximum, and prescription drug deductible amount. The "Contract Number" and "Plan ID" variables correlate with the same variables in the enrollment data, linking the data together. I will test these variables to understand how they impact enrollment levels for individual plans.

CONCLUSION & NEXT STEPS

The information displayed is a result of preliminary exploration, as this is still the first term of my thesis. The data and summaries provided will be further analyzed to draw more significant conclusions that answer the questions of how plan designs impact enrollment and how the entry of new company plans into the market impact the design of existing plans. There are some conclusions to draw from the information provided. MA enrollment grew significantly between 2019-2021. The big players in the market saw the largest increase in enrollment. Healthfirst Healthplan jumped from 45,000 enrollees to 55,000 enrollees and Aetna Life Insurance increased from 20,000 to 25,000. Many of the smaller players saw little increase, or even decrease in enrollment over the time period, making the market somewhat more concentrated. Oscar was able to obtain 2,083 enrollees which is higher than four other plans in the four counties where Oscar exists. There were also some conclusions to take from plan designs. Starting with premium, many plans offer a \$0 premium, including Oscar, but some of the biggest players do charge a premium. Many deductibles were increased after Oscar entered the market, and Oscar chose to offer the highest available deductible of \$445. Finally, many plans increased their out-of-pocket maximum from \$6,700 to \$7,500. Oscar chose to offer an OOP max that falls towards the middle of available plans at \$6,700.